NORTH PIET MINE

m/023/007

NORTH LILY MINING COMPANY

1800 Glenarm Place - Suite 210, Denver, Colorado 80202 Phone: 303-294-0427 Fax: 303-293-2235

FAX transmittal

DATE:

11 May 2000

TO:

Director Mary Ann Wright

FAX:

801-359-3940

FROM:

Gene Webb/Stephen Flechner

RE:

Silver City Reclamation

Hard copy to follow Yes____ N

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MESSAGE:

We ask that your office kindly provide copies to Wayne Hedberg, Doug Jensen and attorney Tom Mitchell.

We are faxing separately to Dennis Frederick and Beth Wondimu.

Best regards,

SEE & WGW

19/11/00 TT . ## LWV 909 FEA

North Lily Mining Company

1800 Glenarm Place - Suite 210 Denver, Colorado 80202 Phone: 303-294-0427 Fax: 303-293-2235

11 May 2000

By Fax to 801-359-3940

Mary Ann Wright
Associate Director, Mining
Division of Oil, Gas & Mining
Department of Natural Resources
1594 W. N. Temple, Suite 210
Salt Lake City, Utah 84114

RE: Closure & Reclamation Schedule-Silver City, Tintic Project

Dear Director Wright:

Pursuant to your letter of May 8, 2000, enclosed please find the updated time schedule with revised firm start date, restoration of west pad perimeter solution collection channel, insertion of site clean up as item 2.3, and time adjustments related to special ordering required for submersible pump (being pursued by North Lily at the suggestion of Walt Shubert with Delco Western of Salt Lake City).

North Lily continues to exert good faith best efforts to perform on schedule, subject (as discussed) to equipment availability, results of scheduled work components and/or agency approvals, timely availability of necessary corporate funds, or other matters beyond the full control of the parties.

We look forward to the benefit of review comments from your Division and from the Division of Water Quality, to prompt agreement upon a stipulation for the negotiated closure and reclamation plan, and to cancellation of the postponed hearing.

Sincerely.

tenhen E. Flechner & W. Gene Webb

President

Executive Vice President

CC:

Dennis Frederick, DWQ
Wayne Hedberg, DOGM
Doug Jensen, DOGM
Beth Wondimu, DWQ
Robert Bayer, JGR Consultants
Michael Keller, VanCott Bagley
Walt Shubert, Project Consultant

NORTH LILY MINING COMPANY SILVER CITY, UTAH HEAP LEACH FACILITY Reclamation/Closure Implementation Plan

	posed Reclamation and Closure Schedule for 2000	Revised 5-10-	
	Component	Start Date	Anticipated Completion Date
1.	Restore Pad Perimeter Solution Collection System	May 8	May 9 (completed)
2.	Design, Build & Start up Enhanced Evaporation Systems	April 12	July 10
	2.1 System Design Schematic 2.2 Solution Channel Liner Repairs 2.3 Site Clean-up 2.4 Flow meter and weir or flume * 2.5 Install new pump* 2.6 Install and Start-up Pad Margin Evap.	April 12 Not needed May 14 May 12 June 15 May 12	April 28 (completed) Not needed June 15 June 1 July 1 July 15
	System Assessment Review & Schedule Readjustment 2.7 Repair Pregnant Pond Liner	May 16 June 12 **	June 21 **
	2.8 Reestablish Pregnant Pond Leak Detection System 2.9 Construct, Install In-pond Evap. System.	June 21 ** July 5 **	June 30 ** July 10 **
	2.10 Estimate Post-Closure Pad Draindown Rate	July 1	September 1
3.	Design Post-Closure Fluid Management System 3.1 Conceptual Design 3.2 Final Design	April 15 August 1	July 1 September 15
4.	Characterize, Identify, and Quantify Stockpile Topsoil & Topsoil Substitute, Finalize Seed Mix	May 19	August I
	4.1 Nutrient characterization of stockpiled topsoil and estimate stockpile volume	May 19	July 1
	4.2 Determine topsoil thickness requirements	July 1	July 15
	4.3 Identify source of topsoil substitute and perform nutrient characterization Assessment Review & Schedule Readjustment	May 19	July 1
	4.4 Finalize seed mix	June 15 July 1	August 1
5.	Assess Adequacy of Natural Revegetation in Former Land Application Areas	June 1	July 1

6.	Regrade Heap Leach Pad	August I	August 31
Proposed Reclamation and Closure Schedule for 2000 (continued)			Revised 5-10-00
	Сотролен	Start Date	Anticipated Completion Date
Ass	essment Review & Schedule Readjustment Date	August 15	
7.	Apply Topsoil	September 1	October 1
8.	Apply Seed and Soil Amendments	October 15	November 15
9.	Inventory and Dispose of Salvageable, Recyclable, and Unusable Materials 9.1 Inventory 9.2 Disposal	June 1 July 1	July 1 November 30
On-site Review		December 5 (on or before)	
10.	Construct Post-Closure Fluid Management System	November 1	December 31
11.	Decommission and Reclaim Barren and Overflow Ponds (if not necessary for post-closure fluid management system)	September I	December 31

Pending equipment availability
 Dependent upon results of previous components and/or agency approvals